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ABSTRACT

This statement presented as testimony before the U.S. Senate discusses the importance of preschool education for children of low-income families. The testimony focuses on the federal and state commitment to preschool programs, including funding and collaborative efforts, and what is known about the effectiveness of federal preschool programs. After providing background about the benefits of high-quality early experiences to low-income children and the different kinds of programs funded by federal and state governments, the testimony notes the considerable investment in preschool programs for low-income children by the federal government, including funding for Head Start, Even Start, and Title I. Also discussed are expenditures for federal block grant programs, state funding of preschool programs, and the collaborative efforts that helped meet the need for full-day services. Noting that information is limited on the effectiveness of the programs, the testimony discusses what is known about the effectiveness of Head Start, Even Start, Title I, and block grant programs. The testimony concludes with a discussion of the challenges involved in assessing the effectiveness of programs. (LPP)

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PRESCHOOL EDUCATION

Federal Investment for Low-Income Children Significant but Effectiveness Unclear

Statement of Marnie S. Shaul, Associate Director
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PS 028541

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Preschool Education: Federal Investment for Low-Income Children Significant but Effectiveness Unclear

Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to discuss the importance of preschool education for children of low-income families. Over the past several years, members of the Congress and leaders in state government have expressed concern about the number of children who are coming to school not ready to learn because they lack appropriate cognitive and social skills. The first national education goal is that all children in America will start school ready to learn.[1] Both federal and state governments have programs to help low-income preschool children obtain these skills. Given the significant federal commitment, it is important to have information on the effectiveness of the federal programs.

My remarks today focus on (1) the federal and state commitment to preschool programs, including funding and collaborative efforts and (2) what is known about the effectiveness of federal preschool programs. My comments are based on the findings from our recent report on early childhood care and education and our two reports on the effectiveness of federal early childhood programs.[2]

In summary, the federal investment in preschool programs for low-income children is considerable. Annually, the federal government provides about $4.6 billion in funds for preschool education and about $4.4 billion a year for federal block grants, such as the Child Care Development Fund (CCDF), some portion of which is used for preschool education.[3] State governments provide about another $2 billion annually to support preschool programs. Head Start, administered by the Department of Health and Human Services (HHS), and Even Start, administered by the Department of Education, are two federal programs that focus on developing cognitive and other skills needed to prepare children for school. In addition, in some communities title I funds, which support elementary and secondary education programs for economically and educationally disadvantaged children, are also used for preschool programs. Federally funded and state-funded preschool programs typically serve children only part of a day and thus do not always accommodate the

[1] The national goals were enacted into law in 1994 (20 U.S.C. 5812).

[2] *Education and Care: Early Childhood Programs and Services for Low-Income Families* (GAO/HEHS 00-11, Nov. 15, 1999), *Early Childhood Programs: Characteristics Affect the Availability of School Readiness Information* (GAO/HEHS 00-38, Feb. 20, 2000), and *Evaluations of Even Start Family Literacy Program Effectiveness* (GAO/HEHS 00-58R, Mar. 7, 2000).

[3] The main federal block grant programs that support child care are CCDF, the Social Services Block Grant (SSBG), and Temporary Assistance for Needy Families (TANF).

schedules of working parents. In some states, federal and state officials have collaborated to provide full-day services by bringing together both child care and preschool services.

Given the considerable investment at the federal level, it is important to know how effectively the different programs prepare children for school. Although Head Start and Even Start studies have shown that the skills of participating children have improved, the studies have not provided definitive results on effectiveness—that is, the extent to which these improvements can be attributed to the programs. However, HHS and Education are making progress in assessing the effectiveness of their preschool programs. In contrast, the effectiveness of block grant funds is not being evaluated for school readiness because it is not a primary goal of these programs.

Background

Research shows that to be prepared for school, children need early childhood experiences that foster their physical, emotional, social, and cognitive development. However, the early childhood of many low-income children does not include these experiences, and such deficiencies can adversely affect their school readiness. Research also indicates that low-income children can make developmental gains by attending high-quality early childhood programs that provide preschool services.[1] In their strategies to improve educational readiness for low-income children, federal and state governments invest in different kinds of early childhood education and child care programs.

In addition to their role in preparing children for school, these programs play a part in allowing parents to enter the workforce. Welfare reform legislation is directed at increasing low-income families' reliance on work rather than welfare. But many parents who work need full-day, full-year care for their children. To use preschool programs, which often serve children part of a day and part of a year, parents need some type of child care to cover the additional hours they work. Child care settings vary and include care given by relatives or nonrelatives in a home or in a center or other out-of-home settings. For families that use subsidized care, recent HHS data showed that about half of these families use center-based settings for their children, which often include educational services, and

[1]We are referring here to a body of research conducted over the years by academia, research organizations, and federal agencies, such as the National Institute on Early Childhood Development and Education.

the remainder place their children in home-based settings. Information about what services children receive in home-based settings is limited.

Historically, early childhood care programs and early childhood education programs have existed as separate systems with different goals. The primary goal of child care programs has been to subsidize the cost of care for low-income parents who are working or engaged in education and training activities. At the federal level, child care is primarily supported by CCDF. In contrast, early childhood education programs have generally focused on helping children become ready to begin school. This split is also reflected at the state level in child care subsidy programs and preschool programs.

Federal and State Funds for Preschool Are Significant

In fiscal year 1999, the federal government provided approximately $4.6 billion through three major programs—Head Start, Even Start, and title I—to fund preschool programs targeted to low-income children. These programs have as a major focus providing services that promote school readiness.[5] Some of the funds from the major federal block grant programs that subsidize child care for low-income families may also support preschool education. In addition, states spent about $2 billion to support preschool education through their own programs and through supplemental funding to Head Start.[6] Most preschool programs are part-day programs, so some states are using collaboration initiatives between preschool and day care programs to address the needs of working parents for full-day care.

Federally Supported Preschool Programs

Of the three programs, Head Start is the largest and serves the most children. HHS's Head Start program provided $4.3 billion in federal government spending on preschool programs in fiscal year 1999. Education's Even Start program provided $135 million primarily to support literacy programs for preschool children and their families. Title I, also administered by Education, is a $7.8 billion flexible grant program that is designed to help educationally disadvantaged children from low-income families. Although current funding amounts for the preschool part of title I

[5]CCDF provided about $3.2 billion in 1999 to subsidize the cost of child care for low-income families. Families can choose preschool, center-based, or home-based settings with these funds. CCDF does not have an explicit goal of providing services to promote school readiness, but the funds can be used for care that does provide these services.

[6]For the most part, this represents state funds spent during a state's last complete fiscal year at the time of the survey (January 1999).

are not available. Education estimated that in the 1996-97 school year, about 2 percent of children served by the program were of preschool age. Table 1 describes the programs and their funding levels.

Table 1: Head Start, Even Start, and Title I Programs

Program	Department	Fiscal year 1999 appropriations ($ in millions)	Description
Head Start	HHS	$4,311[a]	Head Start's primary goal is to promote school readiness by enhancing the social and cognitive development of low-income preschool children (generally aged 3 and 4) by providing health, educational, nutritional, social, and other services that are determined through a needs assessment to be necessary. The services are delivered locally by public and private nonprofit agencies that receive funding directly from HHS. In fiscal year 1999, Head Start served more than 831,000 children.
Even Start	Education	$135	Even Start Family Literacy Program's purpose is to help reduce poverty and illiteracy by improving educational opportunities for families. The program integrates early childhood education, adult literacy and basic education, and parenting education into a family literacy program. The rationale is that children will benefit directly from their participation in early childhood education programs and indirectly from their parents' literacy and parenting skills. Education distributes grants to states, which then make subgrants to partnerships consisting of at least one local education agency and at least one community-based organization, higher education institution, or other public or private nonprofit agency. During the 1998-99 program year, 735 local Even Start projects served approximately 32,000 families.
Title I	Education	$155[b]	Title I's primary purpose is to help local education agencies and schools improve the teaching and learning of children failing, or most at risk of failing, to meet challenging state academic standards. Local education agencies received $7.8 billion in title I funds, a formula grant, and have broad discretion in using funds. For example, the funds may be used to pay for teachers' salaries, provide professional development, or purchase new equipment such as computers. Education has encouraged state title I directors to use title I funds for early learning programs that improve school readiness. Title I served about 264,000 preschool children in 1996-97 (about 2 percent of all children title I served that year).

[a]Represents funding for Head Start preschool programs only.

[b]Education did not have information on the proportion of title I funds used for preschool children. Using the figure from 1996-97 that about 2 percent of title I children were preschool as a rough estimate, about $155 million would have gone to preschool programs.

Federal Block Grant Programs

The major federal block grant programs that support child care are primarily focused on providing access to child care so that parents can work or obtain training and education for employment. These programs

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generally support care for children from birth to 13 years in a wide variety of child care settings, such as preschool, home care, or center care. The three major block grants are CCDF, Social Services Block Grant (SSBG), and Temporary Assistance to Needy Families (TANF). Together they provide about $4.4 billion for day care services. SSBG estimates that $252 million was spent on child care in 1997, states reported $899 million in transfers and direct expenditures for child care in 1998 from TANF, and in 1999 CCDF was funded at $3.2 billion.

CCDF is aimed primarily at increasing the availability, affordability, and quality of child care; preschool readiness is not a primary goal. The two other grant programs have child care as a service secondary to other primary goals. SSBG funds can be used for services directed at the goals of achieving or maintaining economic self-support and self-sufficiency; preventing or remedying neglect, abuse, and exploitation of children and adults; and preventing or reducing inappropriate institutional care. TANF's main goal is to achieve and maintain self-sufficiency in the workplace, and federal funds can be used for child care to help achieve that goal.

The extent to which block grant funds are used for preschool-aged children is not currently available. These grants fund a wide variety of services and serve children up to age 13 in a variety of settings, and HHS does not collect data separately for preschool education. In our early childhood report, we reported on preliminary HHS data on the types of care being used for children subsidized by federal block grants. The data indicate that on average about 11 percent of the children are cared for in their homes, 30 percent are in family child care (that is, a small number of children, usually fewer than 10, are cared for in the home of the provider), 4 percent are in group homes (that is, care is given in the home of a provider for a larger number of children, generally more than 10), and 55 percent are using centers. Children receiving these services may also be receiving services that help them prepare for school, even though that is not the goal of the block grant program.

Most States Provide Funding for Preschool Programs

In our recent report on early childhood education and care, we stated that 31 states and the District of Columbia reported that they provided about $1.7 billion in their last complete fiscal year to support preschool programs.[7] Many of these preschool programs were operated as part of the public school system and were part-time programs. Fifteen states also reported providing $155 million to supplement the Head Start program. These supplemental funds were used to serve more children, increase teacher salaries, or provide transportation to Head Start facilities. Nineteen states reported providing additional funds through grants to communities to meet parents' needs, which could include early childhood education, child care, or both. These 19 states reported spending $1.7 billion on these grants.[8]

Collaboration Efforts Helped Meet the Need for Full-Day Services

Because both Head Start and state-funded preschool programs are generally part-time programs, some states and localities have used collaboration initiatives to address working parents' needs for full-day coverage. Two of the four states we visited in 1999, Colorado and Ohio, had collaboration initiatives that combined federal and state funds from a variety of sources to increase the availability of child care and education settings for low-income families and to provide a full day of services. For example, in Colorado, the Community Consolidated Child Care Pilot Program required participating pilot communities to consolidate funding from at least two different sources: the Colorado Preschool Program, operated under the authority of local school districts, and child care funds administered by local boards of county commissioners. Colorado officials reported a larger increase in the number of children served in pilot counties than elsewhere in the state. According to the director of one pilot collaboration project, the project's efforts have enabled it to meet the need for care and education, including full-day care, for 3- to 5-year-olds. Likewise, in Ohio, the Early Childhood Coordination Committee was charged with bringing Ohio's Head Start program, which is Ohio's public preschool program, and its subsidized child care program into a coordinated system of care. By combining the state's Head Start with child care funds, the state has enabled children in poor working families to receive full-day services.

[7]Of 50 states surveyed, 49 states and the District of Columbia responded to our survey on early childhood education and care. Thirty-one states and the District of Columbia indicated that they had preschool programs and that these were state programs (separate from Head Start programs). We excluded programs funded by a state match to a federal program and programs with limited eligibility, such as programs only for children of teenagers.

[8]Funds spent on preschool were not separated out, and many of the grants were directed toward the CCDF program.

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Federal programs also have supported collaborative efforts. For example, since 1990, HHS has been awarding collaboration grants to states to promote more integrated service delivery systems. These grants are designed to encourage collaboration between Head Start and other programs to increase the availability of full-day coverage and increase the number of children served. Further, the Congress increased Head Start funding in fiscal year 1998-99, and Head Start has awarded much of this money to programs that consider combining their funds with other child care and early childhood funding sources. This helps deliver more full-day services through partnerships such as community-based child care centers.

Limited Information Is Available on Program Effectiveness

In recent reviews, we found that limited information is available on how effective federal programs are in preparing preschool children for school. HHS and Education are making progress in evaluating Head Start and Even Start, but definitive data on the effectiveness of these programs are not yet available. Education currently has no data on title I's effectiveness in preparing preschool children for school but is developing an evaluation plan to address this. Because the block grant programs do not have school readiness as a goal, HHS has not evaluated their effect on school readiness.

Head Start

Recent data on outcomes for the Head Start program show that participating children exhibit many of the skills thought to indicate readiness to learn in school.[9] For example, the data show that typical 4-year-olds completing Head Start had mastered many of the skills and behaviors on which they were tested to assess their readiness for school, such as increased vocabulary, but they did not possess other skills and behaviors, such as identifying letters. These data provide an indication that Head Start children have some school readiness skills, but because most of the studies did not use a control group to enable a comparison of Head Start outcomes with outcomes for non-Head Start participants, they did not provide conclusive evidence on whether children's having school readiness skills stemmed from being in Head Start.

[9]To collect the data needed to assess program outcomes, as captured by the Head Start performance measures, HHS' Head Start Bureau funded the Family and Child Experiences Survey (FACES) in 1996. FACES collects performance measures data from a nationally representative sample of Head Start programs, children, and families. Specifically, FACES collects data on the cognitive, social, emotional, and physical development of Head Start children; the characteristics, well-being, and accomplishments of Head Start families; the quality of Head Start classrooms; and the characteristics and opinions of Head Start teachers and other program staff. Data collection began in 1997 and has recently been extended to follow children into the first grade.

HHS is now taking steps to determine the extent to which these outcomes can be attributed to Head Start. In the Head Start Amendments of 1998, the Congress mandated a national impact study of Head Start. The law defined impact to mean that Head Start children had enhancements in their readiness for school that would not have occurred without their participation in the program. In accordance with the legislation, HHS established an expert panel to recommend a research design. The panel recommended that the study include a random assignment of families to Head Start or control groups as the best approach to answer the question of outcomes. HHS plans to implement the panel's recommendations through procurements awarded this year. The Congress required that the study be completed by 2003.

Even Start

Even Start has undergone two national evaluations, and a third is under way. Data collected for the first two evaluations showed that children participating in Even Start achieved positive outcomes. For example, in the first evaluation, Even Start children's scores on a test that measures school readiness skills increased by more than double the expected rate of learning, based on normal child development.[10] This test measured skills such as identifying shapes and colors and understanding numerical concepts.

While the first evaluation showed positive outcomes for children, it did not show conclusively that the children's improved scores resulted from their being in Even Start. The researchers examined program effect by comparing the performance of families randomly assigned to Even Start projects and a control group.[11] The data showed that during their early participation in the program, Even Start children gained more than the control group children. However, after 18 months there was no statistical difference between children in Even Start and children in the control group. According to the evaluation researchers, two possible explanations may be that by 18 months (1) most of the children assigned to the control group participated in some other type of early childhood program and (2) nearly half of the children who had been participating in Even Start had left the program when the test was administered to them, limiting the

[10]Specifically, Even Start children gained at the rate of 0.91 test items per month, compared with the expected rate of 0.40 items per month. The study's researchers said that this could be considered a medium sized effect by general standards of social science evaluations.

[11]The random assignment of families was limited to five sites, with a total of 100 families in the Even Start program and 100 families in the control group. Families in the control group could not receive Even Start services but could receive other services available in the community.

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program's potential to affect their readiness for school. The second national evaluation of Even Start did not assess whether the program was responsible for children's gains in test scores.

Education is currently conducting a third national evaluation to try to answer the question of Even Start's effectiveness. As with the first evaluation, it is randomly assigning families to allow for an assessment of program effectiveness.[12] This evaluation will cover program years 1997-98 to 2000-01. Study results will be presented in a report to be issued in June 2002.

Title I

Education has no current information available to determine title I's effect on children's school readiness. In its 1998-2002 strategic plan, Education cited school readiness as one of its objectives and identified title I as a program supporting this objective. However, performance indicators for title I in Education's fiscal year 2000 annual performance plan did not address school readiness; rather, they addressed how the program supports other objectives directed primarily at school-age children, such as the use of challenging content standards by title I schools. Similarly, Education's national review of title I reported on the progress of school-age students but did not address the results of the program for preschool children.[13] To begin to assess title I's support of school readiness, Education in its 2001 performance plan has included title I's effect on language development, reading readiness, and mathematical concepts as an indicator that addresses school readiness. Education officials also recently said that they are developing an evaluation plan for the use of title I funds for preschool programs that will provide data to measure progress in meeting its preschool indicator.

Block Grant Programs

HHS has not conducted any evaluations and does not have information that could be used to determine CCDF's effect on children's school readiness. In HHS' Administration for Children and Families (ACF) fiscal

[12]In the fall of 1999, the random assignment of families was being implemented in 11 sites. Education is considering the possibility of adding more sites to the study beginning fall 2000.

[13]See Education, *Promising Results, Continuing Challenges: The Final Report of the National Assessment of Title I* (Washington D.C.: 1999). An earlier Education study examined children's experiences in prekindergarten classrooms funded by chapter 1 (later changed to title I) as the program operated before the last reauthorization. Among the study's findings were that these classrooms were of acceptable to good quality and were less likely to operate full-day programs. The study also tried to examine the relationship between classroom characteristics and outcomes for children but was not able to draw any strong conclusions. See Education, *Observational Study of Early Childhood Programs*, Vol. II, *Chapter 1 Funded Early Childhood Programs* (Washington, D.C.: 1993).

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year 2000 performance plan, one of the agency's objectives is to increase the quality of child care to promote childhood development. The agency's current performance indicators for this goal focus on ways of improving the quality of care but do not address outcomes for children. The TANF program provides a wide range of services that promote self sufficiency, including subsidizing the cost of child care for families. Information available on TANF's funding for child care was focused primarily on demographic and services characteristics. These data are not sufficient to determine the program's effect on children's school readiness. The data collected for SSBG generally focus on services the states provide with SSBG funds and do not address specific outcomes, such as school readiness.

Challenges in Assessing Effectiveness

The challenges of assessing the effectiveness of federal early childhood programs help explain why only limited information is currently available.

- Young children are often better at demonstrating what they know by showing than by talking or writing, making traditional paper and pencil tests inadequate. Thus, researchers emphasize the need to use a variety of assessment tools, including ratings by teachers and parents and direct observation of children's behavior.
- Young children learn and develop so quickly that assessments given at any one point in time may not provide a complete picture of their learning.
- Children's language proficiency can undermine the validity of the results of assessments, especially for children who come from homes with limited exposure to English.
- Assessing the effectiveness of flexible grant programs such as title I is complicated because an evaluation at the national level requires uniform activities and consistent program measures, characteristics that these programs generally do not have.[14]
- Funds from early childhood education and care programs are often commingled with other federal state, local, and private funds for delivering services in a preschool setting, making it difficult to isolate the effect of one program's funding.

[14]See *Grant Programs: Design Features Shape Flexibility, Accountability, and Performance Information* (GAO/GGD 98 137, June 22, 1998).

Finally, measuring program effectiveness can present ethical challenges. Most researchers believe that comparison group studies—those that randomly assign study participants to either a treatment or a control group—provide the most certain information about program effectiveness. However, assigning children to an unserved control group could seem unfair and can affect the willingness of local projects to participate in national evaluations. All these reasons make it difficult for federal agencies to assess the effectiveness of their programs in improving children's school readiness. The latest evaluations that Education and HHS are undertaking are attempting to address some of these issues.

Mr. Chairman, this concludes my statement. I will be happy to answer any questions you or Members of the Subcommittee may have.

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